

**IDAHO STATE TAX COMMISSION**  
**COMMISSIONERS' OPEN MEETING**  
**MINUTES OF MEETING HELD APRIL 23, 2014**

In attendance: Commissioners Richard W. Jackson, David R. Langhorst, and Ken A. Roberts; Valerie Dilley, Steve Fiscus, Bill von Tagen; Rick Anderson, Sherry Briscoe, Alan Dornfest; George Brown, Erick Shaner.

Guests: Richard Budzich; Gene Kuehn, Sharon Worley, Betty J. Dressen.

**Public Session.**

Chairman Richard W. Jackson convened the open meeting and welcomed the guests.

**Business Requiring Vote of the Commission.**

Resolution 14-02 – Temporary Property Tax Rules 205T, 508T, 509T, 626T, and 803T.

Alan Dornfest, Property Tax Rules Committee Chair, presented Resolution 14-02 – Temporary Property Tax Rules 205T, 508T, 509T, 626T, and 803T. Resolution 14-02 is due to the amendments in House Bill 441a passed this legislative session. It includes Temporary Property Tax Rule 205T dealing with the definitions of real and personal property, Temporary Property Tax Rules 508T, 509T, and 626T dealing with the reporting of exempt property and the administration of personal property replacement funds, and Temporary Property Tax Rule 803T, which directs the levy rate computation process, with all provisions to be effective January 1, 2014.

Alan noted that the Tax Commission had not received the formal approval from the Division of Financial Management (DFM) or official advice on the PARFs submitted for the temporary rules, so Commission approval is provisional.

Chairman Jackson asked what burden would be placed on the taxpayers or county assessors, since the Temporary Property Tax Rule 205T would be retroactive to January 1, 2014. Alan responded that there would not be a burden placed on the taxpayers, but there may be some on the county assessors.

Canyon County Assessor Gene Kuehn commented that the burden the assessors have is the same as before and did not see any more issues. Payette County Assessor Sharon Worley commented that the three-factor test is what they have already been using.

Temporary Property Tax Rule 508T deleted the requirement to report on next taxable value for each taxing district. There was no reason to retain this requirement and confuse. Chairman Jackson added that the clarity of the law and removed conflict when issuing levies. The county assessors also approved.

Temporary Property Tax Rule 509T dealt with the abstracts that are reported to the Tax Commission. Alan noted that there was no reason to report. It was irrelevant since there is no reporting necessary on personal property under \$100,000. Chairman Jackson inquired if there was any difference on the taxpayer. Payette County Clerk Betty Dressen and County Assessor Sharon Worley both did not see any issues with drilling in the counties.

Temporary Property Tax Rule 626T provided identifications and guidance and amended the requirement to report. Alan highlighted that 6b had cut off the occurrence of calculation adjusted in payments to counties when after finalization. Steve Fiscus, Property Tax Division Administrator, inquired if it was open-ended now with no time frame. Alan said that was true, the numbers are not locked in and added this is initiated by county action. Canyon County Assessor Kuehn noted that the adjustments would not continue to happen if the counties believe to be reimbursed three years

down the road. Alan did not expect that to happen in the future, since they were rare instances where it could happen.

Temporary Property Tax Rule 803T has changes consistent to HB441a and the recoveries are revised. The counties are entitled under statute to recover personal property and now can. The revision includes agricultural taxes and monies, and a change with replacement funds. A discussion on the levy rate computation process followed, noting there would be a slight reduction on the levies for three districts in the state. Alan added that the adjustment is compensated by replacement funds.

Alan recommended the Commission adopt Resolution 14-02 on the contingency DFM and the Governor's Office approves the temporary rules.

Commissioner Langhorst asked Richard Budzich, DFM Financial Management Analyst Sr., if DFM had anything to say about the rules. Mr. Budzich said DFM is waiting to hear back from the Governor's Office. A brief discussion on school districts and paying directly followed.

Chairman Jackson thanked Alan and the Property Tax Rules Committee and the counties for all the work on the rules.

Commissioner Langhorst moved that the Resolution 14-02 be adopted pending approval of the temporary rules by the Governor's Office and the Division of Financial Management. Commissioner Roberts seconded. There were no comments or amendments. All voted in the affirmative, and the motion passed.

There was no more business requiring a vote of the Commission.

#### **Other Business.**

There was no other business.

#### **Public Comments.**

There were no more public comments.

#### **Adjourn**

There being no further business, the meeting adjourned.

Valerie J. Dilley  
Secretary

Richard W. Jackson  
Chairman